

Fiscal Note

State of Alaska
2019 Legislative Session

Bill Version:	HB 61
Fiscal Note Number:	2
(H) Publish Date:	2/20/2019

Identifier: 20192001181-DOR-TRSY-2-12-2019
Title: REPEAL DEBT REIMBURSEMENT: CAP.
PROJECTS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Governor

Department: Department of Revenue
Appropriation: Taxation and Treasury
Allocation: Treasury Division
OMB Component Number: 121

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2020 Appropriation Requested	Included in Governor's FY2020 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2020	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2019) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2020) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? no
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? no
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable, initial version based on the 2-13-19 Governor's FY2020 request.

Prepared By: Deven Mitchell, Debt Manager
Division: Treasury
Approved By: Brad Ewing, Administrative Services Director
Agency: Office of Management and Budget

Phone: (907)465-3750
Date: 02/12/2019 12:00 PM
Date: 02/12/19

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2019 LEGISLATIVE SESSION**Analysis**

The legislation discontinues state reimbursement of University, municipalities, or power generation entities annual debt payments. The reimbursement practice was established in 2002 when House Bill 528 became law. The statute authorized the State to reimburse debt payments, dependent on appropriation by the Legislature. The borrowing entities pledged either a revenue pledge credit or general obligation credit to secure bonds or loans. The entities also acknowledged that State reimbursement payments were subject to appropriation and did not constitute a credit pledge of the State. Accordingly, the State's credit does not secure these entities' debt and the State's credit rating will not be impacted by a discontinuation of the state debt reimbursements.